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COMPARISON OF CONSUMER RATIONING IN CANADA
AND THE UNITED STATES

(Foreign Information Series, No. 23)

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DIVISION OF RESEARCH
Foreign Information Branch
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MEMORANDUM

September 7, 1943

TO: Mr. William S. B. Lacy, Chief

FROM: Barbara Donald,
Canadian Section

SUBJECT: Comparison of Consumer Rationing in Canada and the United States

The following commodities are now subject to formal rationing controls at the consumer level in Canada: foods - sugar, tea and coffee, butter, meat and a broad range of preserves 1/ (including canned fruit); gasoline; motor vehicle and bicycle tires; automobiles; non-portable typewriters; office machinery; new electric stoves; railroad standard watches; residential lighting fixtures; new farm machinery; metal safes; small arms ammunition; and protective rubber clothing. A priority system has been set up for motor vehicle repairs.

Foods have been rationed on the following basis:

<u>Commodity</u>	<u>Value</u>	<u>Date Introduced</u>
Sugar	$\frac{1}{2}$ lb. per week	July 1, 1942 (informally rationed since Jan. 26, 1942)
Tea or Coffee	1-1/3 oz. or 5-1/3 oz. - per week	August 3, 1942 (informally rationed since May 26, 1942)
Butter	$\frac{1}{2}$ lb. per week	December 21, 1942
Meat	Aver. of 2 lbs. per week	May 27, 1943
Canned vegetables	Retail sales entirely prohibited	July 27, 1943

1/ Jams, jellies, marmalades, fountain fruits, canned fruits, honey, molasses, maple butter, honey butter, apple butter, maple sugar, cane syrup, corn syrup, maple syrup, any blended table syrup.

<u>Commodity</u>	<u>Value</u>	<u>Date Introduced</u>
Preserves <u>1/</u>	<u>One of the following</u> <u>items per month:</u> 12 fl. oz. of jams, jellies, marmalades, fountain fruits, extracted honey, apple, maple or honey butter <u>or</u> 1 lb. net of maple sugar or comb honey <u>or</u> 20 fl. oz. of molasses, maple syrup, or canned fruit <u>or</u> 24 fl. oz. of corn syrup, cane syrup, or blended table syrup <u>or</u> <u>1 lb. net of Sugar</u>	Sept. 1, 1943 (retail sales of canned fruit entirely prohibited July 27, 1943)

Automobiles, typewriters, office machinery, new electric stoves, railroad standard watches, residential lighting fixtures, new farm machinery, metal safes, small arms ammunition, motor vehicle and bicycle tires are rationed on a permit basis to essential users or for essential purposes.

Nation-wide gasoline rationing has been in effect since April 1, 1942. The basic ration throughout the country is now 144 U.S. gals. a year or an average of 2.8 gals. a week.

Fuel oil for commercial heating purposes is prohibited in Canada except under permit. Fuel oil for residential heating purposes is not rationed but consumers are required to report use.

Informal rationing system for bicycles has been instituted by industry under which sales are limited to essential users, who must fill in form stating need. Sales of shotguns and pistols were restricted for approximately four months during the winter of 1942/43 but limitation has now been removed. Essential stocks and requirements were filled during period of restriction.

1/ Jams, jellies, marmalades, fountain fruits, canned fruits, honey, molasses, maple butter, honey butter, apple butter, maple sugar, cane syrup, corn syrup, maple syrup, and any blended table syrup.

A comparative table of commodities under ration control and ration values in the U. S. and Canada is attached to this memorandum. The table includes brief explanatory notes indicating the principal underlying reasons for differences in coverage and value for the most important commodities. In the case of foods subject to rationing, only the standard allowances for home consumption are given. No description of the allowances allowed under rationing regulations governing industrial and institutional users and public caterers is given or of the extra rations allowed in certain instances to individuals or special groups of workers.

It should be pointed out that conclusions regarding the rationing policies followed in the two countries which are based solely on a comparison of ration values such as given in the attached chart may often be misleading and erroneous. The value of basic rations do not necessarily indicate the underlying supply-demand situation or provide a basis for evaluating the wisdom or necessity for any given rationing regulation. The expediency of a rationing program depends on a wide variety of factors..

In addition to the supply-demand situation, differences in fiscal policies, consumption patterns, and controls over supply and distribution at the pre-retail level are among the important factors which contribute to differences in rationing policy. Rationing may be avoided or postponed if high tax rates and savings schemes are in effect thus reducing actual and potential demand for goods in short supply. The effectiveness of voluntary programs to curtail consumption operating at both the retail and pre-retail level vary as between countries. Widely varying individual habits of consumption in one country as opposed to another may militate against the introduction of uniform allowances which are inherent in most rationing schemes. In other cases, the gap between supply and demand may be so great that although this might seem to be an argument in favor of immediate and strict rationing, no rationing device can assure an adequate ration for everyone. Transportation conditions and sources of supply vary between countries. Differences in these factors must be taken into consideration in comparing U. S. and Canadian rationing policies and programs. Tax rates are much stiffer in Canada than in the U. S. Differences in the political, social, geographical and economic structure of the two countries are very important. Canada has a population of about one-twelfth that of the U. S. and, with the exception of the French-Canadians for the most part concentrated in one province, of a more homogenous cultural and racial character. Industry is far more concentrated geographically and there are a much smaller number of firms to control. Important differences in supply and demand and in consumption patterns exist. In most cases the principal factors and underlying differences in basic rations are described in the attached chart.

Attachment

COMPARATIVE TABLE OF RATION VALUES IN CANADA AND THE U. S.

COMMODITY

VALUE OF RATION

FOOD

U. S.

CANADA

Sugar	24 lbs. a yr. (slightly less than $\frac{1}{2}$ lb. per wk.)	$\frac{1}{2}$ lb. per week
Canning Sugar	10 lbs. for season <u>1/</u>	average of 11.34 lbs. for season <u>1/</u>
Tea and Coffee	unrationed	1- $\frac{1}{3}$ oz. of tea or 5- $\frac{1}{3}$ oz. of coffee per week.
Butter		$\frac{1}{2}$ lb. per week
Meat	16 points	average of 2 lbs. per week. <u>2/</u>
Cheese	per	unrationed <u>3/</u>
Cooking oils and fats	week <u>2/</u>	unrationed <u>4/</u>
Canned Milk		unrationed <u>5/</u>
Canned Fish		unrationed <u>6/</u>
Canned and processed fruits, vegetables, soups and juices.	48 points per month (average of slightly less than 12 points per week) <u>7/</u>	Retail sales of canned vegetables and canned fruit and vegetable juices entirely prohibited. Canned fruits rationed (see preserves). Processed fruits, vegetables and soups unrationed. <u>8/</u>
Preserves <u>9/</u>	unrationed <u>10/</u>	One of the following items per month: 12 fl. oz. of jams, jellies, marmalades, fountain fruit, extracted honey, apple, maple or honey butter. or 1 lb. net of maple sugar or comb honey.

COMMODITY

VALUE OF RATION

<u>FOOD</u>	<u>U. S.</u>	<u>CANADA</u>
Preserves 9/ (cont'd)	unrationed 10/	<u>or</u> 20 fl. oz. of molasses, maple syrup, or canned fruit. <u>or</u> 24 fl. oz. of corn syrup, cane syrup, or blended table syrup. <u>or</u> <u>1 lb. net of sugar.</u>

1/ Canada: Canning sugar is allowed only for perishable fresh fruits on basis of $\frac{1}{2}$ lb. of sugar for each quart of fruit in canning and $1\frac{1}{2}$ lbs. per quart of fruit in jam and jelly making. Consumers required to apply for ration stating number of quarts to be canned or preserved. Local Ration Board allotted a quota based on applications received from Board area as well as special characteristics of the area. Local boards may allot rations of varying amounts provided they do not exceed total quota. It is suggested that persons in rural areas be allotted more than those in urban areas. Total supplies provide on the average for 11.34 lbs. per applicant.

U. S.: Consumers are allowed 10 lbs. of sugar for home canning of fresh fruits and the making of jams, jellies, preserves and fruit butters. This is on the basis of 1 lb. of sugar per four quarts of finished processed food and in an amount not to exceed 5 lbs. per consumer in the making of jams, jellies, etc. Additional allotments are available upon application therefore in amounts up to 15 lbs., but the total amount per individual may not exceed 25 lbs. for the period March 1, 1943 through February 29, 1944.

2/ Unlike Canada where butter and meat are rationed separately on a quantity basis, and cheese, cooking oils and fats, canned milk and canned fish are unrationed, all these items are point rationed on a group basis in the U. S. No uniform value for the U. S. weekly ration is fixed. For comparative purposes, however, the following division of the maximum point value is suggested: 2.5 points for $\frac{1}{4}$ lb. of butter (half the Canadian weekly butter ration), 2 points for .6 lbs. of cooking fats and oils and 11.5 points for meat, cheese, canned milk and canned fish. These figures are based on FDA civilian per capita consumption estimates for 1943-44 and the August 1943 point values announced by OPA. An average point value of 6.04 for meat, cheese and canned milk allows about 1.9 lbs. of these items weekly. If no cheese, canned fish or canned milk is purchased and an average point value for meat of 8 points per pound is assumed, a maximum weekly ration of 1.4 lbs. of meat may be purchased.

Under the U. S. rationing plan, all meats including variety meats and canned meat are rationed. In Canada only meat with 50% bone content or less is rationed and all other meats including variety meats are off the ration. Exclusion of variety meats and heavily boned cuts from the ration in Canada is based on the desire to use a simplified quantity technique, and to avoid a more complicated point system which would presumably be required if all meats and all cuts were covered. No attempt was made to fix ration values for various cuts and kinds of meat in relation to the supply-demand situation of each. The Canadian system is designed merely to assure an approximately equal quantity of some kind of meat to each consumer. It appears that the U. S. meat ration is somewhat lower than the Canadian ration and that the total U. S. meat, fats, fish, and cheese ration is considerably stricter than the Canadian ration, when one takes into account the fact that canned meats, canned fish, cheese, and cooking oils and fats are ration-free in Canada. It should be pointed out, however, that available civilian supplies of canned meat and particularly cheese and canned fish are very limited and in some instances non-existent in Canada.

- 3/ Cheese is unrationed in Canada but the supply of cheese available to civilians is very limited. Approximately 75% of total annual cheddar cheese production is being exported to Great Britain alone. In order to ensure the fulfillment of the British contract, the government has recently removed all cheddar cheese from the civilian market. Only an insignificant proportion of cheese produced in Canada is non-cheddar type cheese.
- 4/ The manufacture and sale of margarine has been prohibited in Canada since before the war. Canadian per capita consumption of lard and other cooking oils and fats has been normally far less in the U. S. and at present the supply demand situation does not warrant rationing in Canada. It is interesting to note that butter is far more widely used in Canada than in the U. S., pre-rationing per capita consumption being nearly double that in the U. S. Butter rationing is therefore the important factor in Canada.
- 5/ It is understood that supplies are rationed on a voluntary basis by most retailers according to need.
- 6/ Many types of canned fish have been completely removed from the civilian market.
- 7/ The weighted average point value per pound of processed foods is about 8.8 points. With 48 points to spend, the civilian can buy approximately 5.5 lbs. per month.
- 8/ Although canned fruits have been subject to formal rationing on a group basis with a broad range of preserves, processed fruits, canned and processed vegetables, juices, and soups are not yet rationed. Supplies of canned goods have been very scarce for some time and in many areas and stores not available at all. Many types of canned goods have been completely removed from the civilian market. Informal rationing at the processing, wholesale and retail levels was only relatively satisfactory. Due to the increasingly serious supply situation, an order entirely prohibiting retail sales of

both canned fruits and vegetables (including juices) of the 1943 pack and stocks of the 1942 pack in the hands of canners and wholesalers was issued, effective July 27, 1943. Canned and processed vegetables, soups, processed fruits, juices and until recently canned fruits have not been formally rationed in Canada primarily because the underlying position regarding supply and habits of consumption is very different from that in the U. S. Canned and processed foods do not constitute daily or frequent items of purchase for many Canadians. Consumption habits vary greatly throughout the country. Supplies have not to date warranted the allotment of a ration to all consumers. Although canned fruits have now been formally rationed, they are rationed on a group basis along with other foods with high sugar content and the Board has made it clear that supplies are not adequate to provide all consumers with as much canned fruit as the ration allows if every consumer tries to use all his preserves coupons for canned fruit only. The rationing program is attempting only to assure the consumer that at least one of the items rationed will be available.

9/ Jams, jellies, marmalades, fountain fruits, honey, molasses, maple butter, honey butter, apple butter, maple sugar, cane syrup, corn syrup, maple syrup, any blended table syrup, and canned fruits. Preserves rationing was instituted to secure an equitable distribution of these commodities which have been especially short recently. It was also felt it would provide a solution for the home canning problem. All commodities in the group subject to this rationing order are characterized by high-sugar content and are considered as substitutes for each other. Placing the sugar alternative on the ration allows consumers to buy more sugar if they wish to put up their own jams and fruits or to purchase commercially processed products but not to secure both. This is designed to secure a more equitable distribution of the short supply of preserves.

10/ Canned fruits are rationed in the U. S. on a group basis with other canned and processed foods.

COMMODITY

U. S.

CANADA

NON-FOOD

Apparel --

Footwear

Rubber footwear
(all men's protective rubber)

rationed on permit basis

No formal rationing scheme. Ban on sales promotion of all rubber footwear.

Other footwear
(excluding rubber footwear, non-leather footwear, etc.)

1 pair every 4 months

unrationed 1/

Protective rubber clothing (e.g. fishing, mining, and firemen's suits)

unrationed

rationed on permit basis for essential uses.

1/ Average per capita consumption has been estimated at approximately two pairs a year. Canadian officials do not feel that present supply-demand relationships warrant rationing. A simplification program has been introduced designed in part to maximize supply.

COMMODITY

U. S.

CANADA

Motor Vehicles, Gasoline
and Tires

Automobiles (passenger
type)

all new cars on permit
basis.

New cars in government
pool on permit basis
for essential use.

Gasoline

automobiles
(non-commercial)

Basic ration averages
 $1\frac{1}{2}$ gals. a wk. in 17
Eastern states and
District of Columbia
and 4 gals. in remain-
ing 31 states. Ration
issued for specified
period and coupons may
only be honored during
period. Supplemental
rations for driving to
work and occupational
use.

Basic ration averages
2.8 U. S. gals. a wk.
throughout entire country.
Issued on annual basis
(144 U. S. gals. a yr.)
to be used at any time
during yr. Supplemental
rations for essential use.
No ban on pleasure driv-
ing, 1/ but supplemental
rations issued on much
stricter basis than in
U. S. 2/

commercial vehicles

Rationed according to
need and essentiality.
Formal ban on use for
pleasure driving (e.g.
in taxis) in 17 Eastern
states and D. C.

Rationed according to
need and essentiality.
Voluntary program to
eliminate use for plea-
sure purposes.

Boats

Non-Commercial

Ban on pleasure boating
in 17 Eastern states and
D. C.

4.5 to 10.8 U. S. gals.
a yr. according to h.p.
for outboard motors and
7.2 to 64.8 a yr. accord-
ing to h.p. for inboard
motors. 3/

Commercial

Rationed according to
need and essentiality.
Ban on pleasure boating
in 17 Eastern states
and D. C.

For specified commercial
uses, unrationed but use
is licensed and limited
to boats in use prior to
March 1, 1942. Use of
commercial boats in con-
nection with sightseeing
regattas, races or similar
events is prohibited.

<u>COMMODITY</u>	<u>U. S.</u>	<u>CANADA</u>
<u>Tires</u> (and tubes) New, used, retreaded or recapped	Rationed by permit. All car owners eligible. Type of tire depends on need and mileage requirements.	Rationed by permit on priority basis for strictly essential purposes.
Retreading and recapping services	Recapping services un- rationed. (Retreading of tires not permitted)	Rationed by permit on priority basis for strictly essential purposes.
<u>Tire Chains</u>	unrationed	All persons eligible if chains needed for re- placement or if necessary for operation of vehicle. Must sign certificate.

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- 1/ A ban on pleasure driving in Canada has not been considered necessary or advisable for a number of reasons. Basic rations are not large enough to permit much, if any, pleasure driving. The basic ration throughout the country is less than that in the U. S. except in the 17 Eastern states and the District of Columbia. Supplemental rations are issued on a much stricter basis than in the U. S. Furthermore, the special factors which have necessitated strict limitation of gasoline used in the Eastern U. S. but not in the rest of the country do not apply to any area in Canada. The maintenance of adequate or even minimum supplies in the Eastern U. S. is rendered difficult because of tremendous military requirements for gasoline which must be shipped from eastern ports coupled with civilian demands which have always been large and are now inflated as a result of the war (approximately one third of total passenger cars for which gasoline ration books have been issued are in the Eastern district). Both distribution and storage facilities are also inadequate. It is well known that the need to restrict normal ocean transportation of oil has been one of the chief reasons for the shortage in the East. Requirements in the eastern provinces of Canada, on the other hand, have always been relatively small, covering only approximately 7% of the total passenger cars registered in Canada. Since Canada produces little oil, her contribution to the war effort does not include huge exports to the European war theatre.
- 2/ No supplemental rations issued for driving to work, except in the case of government supervised car pools in selected industrial plants, flying fields, etc. Supplemental rations for occupational use are very limited and based on essentiality to war effort.
- 3/ Seasonal residents allowed gasoline up to proved requirements where no alternative form of transportation exists.

COMMODITY

U. S.

CANADA

Miscellaneous Products

Ammunition for
small arms

Released on permit
(priority) basis for
essential uses.

Released on permit
basis for essential
uses.

Bicycles

Rationed on permit
basis for essential
uses.

No formal rationing
scheme. Sales limited
to essential users on
voluntary basis by
industry. Purchasers
required to fill in
forms showing need.

Farm machinery

Released on permit
basis for essential
use.

Released on permit basis
for essential use.

Fuel Oil

commercial

Rationed in 32 states
and the District of
Columbia

Use prohibited through-
out Canada except under
special permit.

residential

Rationed in 32 states
and the District of
Columbia.

Unrationed. Consumers
must submit reports. 1/

Metal Safes

Released on permit
(priority) basis
for essential uses.

Released on permit basis
for essential uses.

Office Machinery

Released on priority
basis for essential uses.

Released on priority
basis for essential uses.

Railroad Standard
watches

Released on permit is
basis for essential uses.

Released on permit basis
for essential uses.

Residential Lighting
fixtures

Unrationed

Rationed on permit basis
for essential uses.

Shot guns and pistols

New and expensive types
released on permit
(priority) basis.

Unrationed 2/

Stoves

Coal and oil heating

Rationed on permit
basis in 32 states
and District of
Columbia.

Unrationed

COMMODITY

U. S.

CANADA

Stoves (cont'd)

Electric stoves	Rationed on permit (priority) basis if to be installed in new building. Stoves for replacement unrationed.	Rationed on permit basis for essential use.
Typewriters (new, used and rebuilt)	Non-portables manufactured before 1915 may be rented or purchased without a permit.	Sales of non-portables manufactured since 1932 by permit for strictly limited essential uses. Portables unrationed.
	Non-portables manufactured during the period 1915 - 1928 may be rented without a permit. Sales prohibited.	Rentals controlled.
	Non-portables manufactured during the period 1928 - 1935 may only be rented on a permit basis for essential uses. Sales prohibited.	
	Non-portables manufactured after 1935 may be rented or purchased only by the Procurement Division of the U. S. Treasury Dept.	
	Specified portables (mainly those manufactured since July 1941) may be rented or purchased only by the Procurement Division of the U. S. Treasury Dept. Specified types of portables manufactured before July 1941 may be rented (sales prohibited) without a permit. All others may be rented or purchased without permit.	

Services

Motor Vehicle repairs	Unrationed	All persons eligible without permit but according to specified priority.
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- 1/ The use of fuel oil for residential heating purposes is very limited in Canada. According to the 1941 Census, only 5 to 10% of the houses in Canadian cities of 30,000 or more are heated by oil and even this small percentage is limited to cities where refineries are located, thus minimizing the transportation problem which is the principal reason for fuel oil rationing in the U. S.
- 2/ Released on permit basis for essential uses during autumn and winter of 1942-1943. Restrictions on sales recently removed, but during rationing period an inventory was made and essential requirements for present and future use filled.